M/047/066

DESERET POWER
ELECTRIC COOPERATIVE

12500 East 25500 South
Vernal, Utah 84078
(435) 789-9000 Fax: (435) 781-5816

October 30, 2002

Mr. D. Wayne Hedberg
Division of Oil, Gas and Mining
Utah Department of Natural Resources
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Re: Response to 3rd Review of
Notice of Intent (NOI) to Commence Large Mining Operations, Deseret Generation and Transmission (DG&T), Diamond Mountain Resources Limestone Mine, M/047/066, Uintah County, Utah

Dear Mr. Hedberg:

Enclosed are two copies of Deseret Power's response to the third review of our Notice of Intent (NOI) to commence large mining operations, M/047/066.

Please contact Jerry Hascall (435) 781-5702, or myself (435) 781-5730, if you have any questions or comments.

Sincerely,

William Curry

William Curry, PE
Senior Civil Engineer

RECEIVED
NOV 0 1 2002
DIV. OF OIL, GAS & MINING

RESPONSE
TO
3rd REVIEW OF NOTICE OF INTENT
TO
COMMENCE LARGE MINING OPERATIONS

Deseret Generation & Transmission
Diamond Mountain Resources Mine

M/047/066

R647-4-101 - Filing Requirements and Review Procedures

"Reject 10" is an area of combined safety berm and excavated material soon to be fed into the crusher system.

That statement was an error on my part. "Reject 10" is an area of combined safety berm and reject material to be used in backfilling and reclamation. As such it should not be included in the 1.5 acre limitation of "storage piles" referenced in the Contractor's Air Quality Approval Order.

R647-4-105 - Maps, Drawings & Photographs

105.2 Surface Facilities Map

The Operator recognizes that area H-5 is a previously disturbed area that is in the process of reclamation. That process takes 3 years or more, depending on soil stability and vegetation growth. Consequently, although it is in the process of reclamation, it remains a part of the Surety estimate. It will remain a part of the Surety estimate until such time as Deseret Power makes a formal request to have it released and the Division grants it.

The Operator recognizes that the 1.13 acres in question (the test pit area) is a previously disturbed area that is in the process of reclamation and that the process takes 3 years or more, depending on soil stability and vegetation growth. Consequently, although the area is in the process of reclamation, it remains a part of the Surety estimate. It will remain a part of the Surety estimate until such time as Deseret Power makes a formal request to have it released and the Division grants the release.

The Division asserts that the cumulative size of the disturbed area is 17.64 acres. The Operator has revised the Surety to reflect that size.

R647-4-106 - Operation Plan

106.3 Estimated acreages disturbed, reclaimed, annually

The Operator recognizes that the Surety amount must be based upon the Division's determination of 17.64 acres disturbed. The Surety has been revised to reflect this. Deseret Power will make a formal request for release of successfully reclaimed areas when we determine that they are eligible for release.

From the Division's 3rd Review:

At this time, the areas shown on the maps included with DG&T's NOI are a limitation of areas being considered in this permit. If DG&T wishes to expand beyond the areas shown, a permit amendment to the present plan must be filed with the Division and approved.

Deseret's assertion that: "... The anticipated configuration shall not be construed as a limitation or a requirement" refers to the anticipated width of the mine face (325 ft or less), the anticipated overall height of the face (55 ft or less), the anticipated 2% upslope of the pit bottom and the overall "up ridge" direction of mining. It was not an assertion that we would follow the quality limestone deposit to the mine site boundary and/or beyond. This NOI addresses mining activities within the 80 acre mining claim. Within that 80 acre mining claim; actual mining and associated reclamation disturbances will affect an estimated 41.3 acres. Deseret recognizes that a permit amendment would be required for mining beyond the anticipated 41.3 acres and/or outside of the mining claim site addressed by this NOI.

106.6 Plan for protecting & redepositing soils

Under Section 106.6, the NOI indicates that 6 inches of soil material will be salvaged and stockpiled from an area of 17.6 acres. Although the operator has committed to salvage all available soil, Section 106.5 (a) indicates there is an average of 12 inches of topsoil and 24 inches of subsoil available, substantially more than the six inches the operator committed to salvage. In addition, Section 106.6 says 28,411 cubic yards of subsoil will be stockpiled (average 12 inches over 17.6 acres), but, as mentioned above, this same section of the NOI says only six inches of soil will be salvaged and stockpiled. The operator needs to correct or clarify the salvage and stockpiling commitments made under these sections.

Deseret Power is committed to salvaging as much topsoil and subsoils as may be possible and/or available. In all future disturbances, care will be taken to salvage/harvest as much of the soils as possible, and to protect them from deleterious substances and effects after salvage. As mining progresses into a previously undisturbed area; the topsoil will be removed and stockpiled for later use in reclamation. After the topsoil is removed to a protected site, the subsoil will be removed and stockpiled for later use in reclamation. If

either, or both, types of soil are needed for reclamation at the time they are salvaged; they will be used for that purpose. The depths of each type of soil are irrelevant to the extent of the salvage. We will salvage all such soils prior to development of the mine at that specific point.

The values listed in Section 106.5 (a) have been revised to be indicative of the soils in the "Soil Borrow Areas" of 18.8 acres ("areas from which soils may be salvaged for use in reclamation"), as illustrated by Maps 4A and 7. The average depth of topsoil is 12 inches and of subsoil is 24 inches. The Section 106.5 (a) listed values do not represent the quantity that will be in stockpile at any one time. They do not represent the limit of soil salvage efforts. The listed values are indicative of what soils are present, and available, in the mine site area.

We will salvage all topsoil and subsoil from an area prior to the mining of that area.

If salvaged soils are insufficient in volume for the reclamation needs at a given time, then the needed soils will be taken from the Soil Borrow Area (Maps 4A and 7). Deseret Power recognizes that taking soils from the Soil Borrow Area creates a requirement to reclaim that disturbed area. Sufficient soils will be left in, or returned to, the Soil Borrow Area so as to reclaim that area.

We recognize that successful reclamation is highly dependent upon providing suitable depths of non-contaminated soils; and that those soils should not be sitting on top of solid bedrock. Where present, the underlying rock will be fractured so as to allow for root penetration. This fracturing may be accomplished with explosives, or with heavy equipment, if feasible. The fractured bedrock will be covered with waste (reject) material. The waste (reject) material will approximate the final contours and slopes. The waste (reject) material will be covered with 12 inches of subsoil. The subsoil will be covered with 6 inches of topsoil. In this way, a sufficient growth medium, with sufficient rooting depth will be obtained.

Maps 4 and 7A illustrate the following areas. The mine or pit bottom; which is encompassed by the solid line. The re-created slope from the pit bottom to the top of the mine, encircles the pit bottom and is shown by the dashed line. This is labeled as the "area to be reclaimed after mining". It is the area that will receive the bulk of the backfill, and which will be contoured to a natural appearing slope. The soil borrow area abuts the "area to be reclaimed after mining" slopes. All three areas will receive reclamation treatments as necessary.

Map 2 - Surface Facilities has been amended to show where the salvaged soil stockpiles will be located. The topsoil will be kept separate from the subsoils, albeit in this same general location. It has been placed adjacent to the north fence so as to be removed from day-to-day activities and thereby protected from contamination.

106.7 Existing vegetation - species and amount

The source of the narrative description of the vegetation information found in Appendix A is the "Land Systems Inventory for the Ashley National Forest". Mr. Sherel Goodrich, Vegetation Specialist for the Ashley National Forest has asserted to Deseret Power that the vegetation at the mine site is typical to that of the areas cited. Mr. Goodrich is a highly respected botanist. The Division of Oil, Gas and Mining recognizes Mr. Goodrich's expertise and accepts his assurances in this matter.

The seed mixture found in Paragraph 110.5 (c) of the NOI is from Appendix E, Best Management Practices, of the Environmental Assessment. It was provided to Deseret by the Forest Service and it reflects the typical species mix of the site. Deseret G&T considers this information sufficiently site specific.

LIST OF ATTACHMENTS

Map 2 - Surface Facilities (Revised)

Map 2A - Future Surface Facilities (Revised)

Map 4A - Full Extent of Reclamation (Revised)

Map 7 - Limestone Mine Map Soils (Revised)

Appendix F Calculations for Bond (Revised)

Pages 8 and 9 of Form MR-LMO --- reflecting clarification of Deseret's commitment to salvaging all soils possible in future areas of active mining disturbance

APPENDIX F

Basis for Calculation of Bond
Revised October 22, 2002

I. The following items are either a continuing responsibility of the Contractor who is performing the mining; or are activities performed by Deseret personnel as required. Deseret Power is invoiced by the Contractor as applicable. These activities are ongoing.

1. Safety gates, signs, etc.

2. Debris and equipment removal - trucking, dump fees and loading trucks w/FE loader

3. Debris removal - general labor

4. Creating safety berms or barriers around highwalls

5. General site clean-up & trash removal

6. All reclamation activities

7. All mobilization of equipment, as warranted

II. At the present time there are 17.64 acres that have been disturbed and that would require clean-up and reclamation efforts for which this Bond would be applicable. Of that area however, only 9 acres can reasonably be expected to require regrading, ripping, redistribution of reject material, redistribution of subsoil, redistribution of topsoil and broadcast seeding. The estimated costs are:

Debris and equipment removal - trucking	$50 x 20 trips = $1,000
Debris and equipment removal - dump fees	$55 x 10 tons = $550
Debris and equipment removal - loading	$166 x 20 hrs = $3,320
Demolition and debris removal - labor	$15 x 80 hrs = $1,200
Regrading active facilities areas (1 ft depth)	$502 x 9 acres = $4,518
Ripping stockpile & compacted areas incl. pit floor, and roadway	$234 x 9 acres = $2,106
Blasting of Mine Face and Pit Bottom (Incl. Drilling, loading, etc.)	$1.33 x 11,342 tons = $15,086

Backfilling of Pit - truck and FE loader (waste and reject material)	$2.60 x 16,448 cu yds = $42,765
Backfilling of Pit - Dozer (waste and reject material)	$0.50 x 8224 cu yds = $4,112
Subsoil replacement - dozer (12 inches over 9 acres)	$0.50 x 1614 cu yds = $808
Subsoil replacement - truck and FE loader (12 inches over 9 acres)	$2.60 x 1614 cu yds = $4,196
Topsoil replacement - dozer (6 inches over 9 acres)	$0.50 x 807 cu yds = $404
Topsoil replacement - truck and FE loader (6 inches over 9 acres)	$2.60 x 807 cu yds = $2,098
Broadcast seeding	$225 x 9 acres = $2,025
Equipment mobilization	$1000 x 5 pieces = $5,000
Reclamation Supervision	$386 x 30 days = $11,580
Well Plugging (water, monitoring, test bores)	$2,475
Reclamation of Sediment Pond	$2.60 x 5185 cu yds = $13,482
10% contingency	$11,673
Single-Payment Compound-Amount Factor S=P[(1+.0312)*5]	$149,718

This is an average cost per disturbed acre of: $8,487

III. Once the Mine site is developed as indicated by the Plan of Operation;

A. Reclamation activities will be ongoing. This will result in there being less then the current 17.64 acres upon which this Bond amount is based.

B. Highwalls and benches will not be constructed on either side of the Mine face. The mine face itself will not exceed 325 ft in width. The total difference in height from the pit bottom to the top of the mine face is anticipated to be no greater then 55 ft between now and 2007. This surety estimate is based on this configuration.

Depth of soil material	_____ inches
Volume (for stockpiling)	_____ cu. yds.
Texture (field determination	_____
pH (field determination)	_____
(cross reference with item 106.6)	

Depth of Topsoil material (average)	12 inches
Volume (available for stockpiling)	30,331 cu. yds.
Texture (field determination)	silty and clayey loam
pH (field determination)	7.5 to 8.2

Depth of Subsoil material	24 inches
Volume (available for stockpiling)	60,661 cu. yds.
Texture (field determination	gravelly clay
pH (field determination)	7.5 to 8.2

See also Forest Service soils data, included in Appendix A, Soils.

(b) Where there are problem soil areas (as determined from the field examination) laboratory analysis may be necessary. Soil samples to be sent to the laboratory for analysis need to be about one quart in size, properly labeled, and in plastic bags. Each of the soil horizons on some sites may need to be sampled. Soil sample locations need to be shown on the soils map. Soil analysis for these samples should include: texture, pH, Ec (conductivity), CEC (Catoin Exchange Capacity), SAR, % Organic Matter, Total N, Available Phosphorus (as $P_2 0_5$), Potassium (as $K_2 0$), and acid/base potential.

Prior to mining, the ridge at the site was bare, exposed rock. Soil depths ranged from zero at the exposed rock to 40 feet deep near the bottoms of the ephemeral streams on each side of the ridge.
It is in the Operators best economic interest to salvage as much soil as possible. Therefore, within the limits of practicality, Deseret intends to salvage as much soil as possible for use in reclamation.
A variety of soils data may be found in Appendix A. Included are photos of the test pits, chemical analysis of earlier soil samples, test boring hole depth data, information obtained from the Forest Service Soils scientist and Unified Soils Classifications as determined by Epic Engineering.

Map 7, Soils indicates extent of soils on either side of the area of active disturbance.

106.6 - Plan for protecting and redepositing existing soils

Thickness of soil material to be salvaged and stockpiled: 12-36 inches

Operator will salvage whatever is present; anticipated to be 12 to 36 inches thick

Area from which soil material can be salvaged: (show on map)	18.8 acres
Volume of soil to be stockpiled:	Topsoil 301 cu. yds.
	Subsoil 602 cu. yds.

(cross reference with item 106.5 (a))

The volume of soil to be stockpiled is whatever is present at the area soon-to-be-disturbed. For example, if the mine face is to be advanced another 25 ft, over a width of 325 ft, and the soils are 1 ft and 2 ft thick (topsoil and subsoil, respectively) then the volume of soils to be salvaged and stockpiled from that area are as indicated.

Half of the soils which are available, as indicated in 106.5 (a), may be used for reclamation purposes. The values stated herein are what are believed to be available within the mine site. The actual volume of the salvaged stockpiles will be dependent upon what was removed in the process of mining or development for mining.

Describe how topsoil or subsoil material will be removed, stockpiled and protected.

The topsoil and subsoils will be removed by the bucket loader, dozer and the excavator, individually or in combination, as the Site Foreman prefers and directs. The material will be stockpiled in a location that will preclude further disturbance or contamination by deleterious materials. The slopes of the stockpile will not exceed 3h:1v. The topsoil stockpile will be seeded and subsequently monitored for remedial seeding. Because the soil depths vary within the Site, all soils will be salvaged as far as is practical to do so. Soil depths in reclamation areas will be in excess of 6 inches if at all practical by virtue of the quantity of topsoil and subsoils present at the site. Map 2 – Surface Facilities, indicates the current location of the salvaged soil stockpile. As the mining progresses, that stockpile will be used for reclamation and a subsequent stockpile will be established elsewhere, somewhat removed from the active disturbance area.

106.7 - Existing vegetative communities to establish revegetation success

Vegetation - The operator is required to return the land to a useful condition and reestablish at least 70 percent of the premining vegetation ground cover.

Provide the Division with a description of the plant communities growing onsite and the percent vegetation cover for each plant community located on the site. Describe the methodology used to obtain these values.

The percent ground cover is determined by sampling the vegetation type(s) on the areas to be mined (see Attachment I for suggested sampling methods).

(a) Vegetation Survey - The following information needs to be completed based upon the vegetation survey:

Sampling method used _____

Number of plots or transects (10 minimum) _____

Ground Cover	Percent
Vegetation (perennial grass, forb and shrub cover)	_____
Litter	_____
Rock/rock fragments	_____
Bare ground	_____